

7/30/04

08-05-2004

Form PTO-1594 (Rev. 06/04)
OMB Collection 0651-0027 (exp. 6/30/2005)



DEPARTMENT OF COMMERCE
Patent and Trademark Office

RECORDED
TRADEMARKS
102806227

To the Director of the U. S. Patent and Trademark Office: Please record the attached documents or the new address(es) below.

1. Name of conveying party(ies)/Execution Date(s):

Captive Plastics, Inc.

- Individual(s)
- General Partnership
- Corporation-State New Jersey
- Other
- Association
- Limited Partnership

Citizenship (see guidelines) New Jersey

Execution Date(s) July 21, 2004

Additional names of conveying parties attached? Yes No

3. Nature of conveyance:

- Assignment
- Security Agreement
- Other
- Merger
- Change of Name

2. Name and address of receiving party(ies)

Additional names, addresses, or citizenship attached? Yes No

Name: Ableco Finance, LLC, as Collateral Agent

Address:

Street Address: 299 Park Avenue, Floors 21-33

City: New York

State: NY

Country: USA Zip: 10171

- Association
- General Partnership
- Limited Partnership
- Corporation
- Other LLC

Citizenship Delaware
If assignee is not domiciled in the United States, a domestic representative designation is attached: Yes No
(Designations must be a separate document from assignment)

4. Application number(s) or registration number(s) and identification or description of the Trademark.

A. Trademark Application No.(s)

B. Trademark Registration No.(s)

See Schedule A attached hereto

Additional sheet(s) attached? Yes No

C. Identification or Description of Trademark(s) (and Filing Date if Application or Registration Number is unknown):

08/03/2004 NGEPCHE 00000135 1277024
01 FC:8521
02 FC:8522

5. Name & address of party to whom correspondence concerning document should be mailed:

Name: Amanda Jane Elliott, Esq.

Internal Address: Paul, Hastings, Janofsky & Walker LLP

Street Address: 1299 Pennsylvania Ave., NW
10th Floor

City: Washington

State: DC Zip: 20004

Phone Number: (202) 508-9513

Fax Number: (202) 508-8543

Email Address: amandaelliott@paulhastings.com

6. Total number of applications and registrations involved:

7

7. Total fee (37 CFR 2.6(b)(6) & 3.41) \$ 190

- Authorized to be charged by credit card
- Authorized to be charged to deposit account
- Enclosed

8. Payment Information:

a. Credit Card Last 4 Numbers _____
Expiration Date _____

b. Deposit Account Number 16-0752

Authorized User Name _____

9. Signature:

Amanda Jane Elliott
Signature

July 30, 2004
Date

Amanda Jane Elliott
Name of Person Signing

Total number of pages including cover sheet, attachments, and document: 16

Documents to be recorded (including cover sheet) should be faxed to (703) 306-5995, or mailed to:
Mail Stop Assignment Recordation Services, Director of the USPTO, P.O. Box 1450, Alexandria, VA 22313-1450

TRADEMARK
REEL: 003020 FRAME: 0858

SCHEDULE A

U.S. Trademark Registrations

MARK	APP/REG. NO.	APP./REG DATE	OWNER
CAPTIVE PLASTICS	1277024	05/08/84	Captive Plastics, Inc.
CP	2081302	07/22/97	Captive Plastics, Inc.
CP**	2092911	09/02/97	Captive Plastics, Inc.
CPI**	1279008	05/22/84	Captive Plastics, Inc.
DESIGN ONLY	1547419	07/11/89	Captive Plastics, Inc.
DESIGN ONLY**	1273575	04/10/84	Captive Plastics, Inc.
THORO-BAN	1545407	06/27/89	Captive Plastics, Inc.

** These marks are no longer in use and will not be maintained.

TRADEMARK SECURITY AGREEMENT

This **TRADEMARK SECURITY AGREEMENT** (this "Agreement"), dated as of July 21, 2004, is made by and between, **CAPTIVE PLASTICS, INC.**, a New Jersey corporation ("Debtor"), in favor of **ABLECO FINANCE LLC**, a Delaware limited liability company, as the collateral agent for the below-defined Lender Group (in such capacity, together with its successors, if any, in such capacity, "Collateral Agent").

RECITALS

WHEREAS, Captive Holdings, LLC, a Delaware limited liability company (the "Parent"), Captive Holdings, Inc., a Delaware corporation ("Holdings"), Captive Plastics, Inc., a New Jersey corporation (the "Borrower"), the lenders from time to time party thereto (each a "Lender", and collectively the "Lenders"), PNC Bank, National Association as administrative agent for the Lenders (the "Administrative Agent"), and Collateral Agent have entered into that certain Financing Agreement, dated as of July 21, 2004 (as amended, restated, supplemented or otherwise modified from time to time, the "Financing Agreement"), pursuant to which the Lender Group has agreed to make certain financial accommodations to Borrower;

WHEREAS, Debtor has executed and delivered to Collateral Agent that certain Security Agreement, of even date herewith (as amended, restated, supplemented or otherwise modified from time to time, the "Security Agreement"), pursuant to which Debtor has granted to Collateral Agent, for the benefit of the Lender Group, security interests in (among other things) all or substantially all of Debtor's general intangibles; and

WHEREAS, pursuant to the Loan Documents, and as one of the conditions precedent to the obligations of the Lenders under the Financing Agreement, Debtor has agreed to execute and deliver this Agreement to Collateral Agent for filing with the PTO (as defined below) and with any other relevant recording systems in any jurisdiction, and as further evidence of and to effectuate Collateral Agent's existing security interests in the Trademark Collateral (as defined below).

AGREEMENT

NOW, THEREFORE, for valuable consideration, the receipt and adequacy of which is hereby acknowledged, Debtor hereby agrees in favor of Collateral Agent as follows:

1. Definitions; Interpretation.

(a) Certain Defined Terms. As used in this Agreement, the following terms shall have the following meanings:

“Ableco” shall have the meaning ascribed to such term in the preamble to this Agreement.

“Administrative Agent” shall have the meaning ascribed to such term in the recitals to this Agreement.

“Agreement” shall have the meaning ascribed to such term in the preamble of this Agreement.

“Bankruptcy Code” means the United States Bankruptcy Code (11 U.S.C. §101 et seq.), as amended, and any successor statute.

“Collateral Agent” shall have the meaning ascribed to such term in the preamble to this Agreement.

“Debtor” shall have the meaning ascribed to such term in the preamble to this Agreement.

“Event of Default” means any Event of Default under the Financing Agreement.

“Financing Agreement” shall have the meaning ascribed to such term in the recitals to this Agreement.

“Lender Group” means collectively the Lenders, Administrative Agent and Collateral Agent.

“Lenders” means, individually and collectively, each of the lenders identified on the signature pages of the Financing Agreement, and any other Person made a party thereto in accordance with the provisions of Section 12.07 thereof (together with their respective successors and assigns).

“Proceeds” means whatever is receivable or received from or upon the sale, lease, license, collection, use, exchange or other disposition, whether voluntary or involuntary, of any Trademark Collateral, including “proceeds” as such term is defined in the UCC, and all proceeds of proceeds. Proceeds shall include (i) any and all accounts, chattel paper, instruments, general intangibles, cash and other proceeds, payable to or for the account of Debtor, from time to time in respect of any of the Trademark Collateral, (ii) any and all proceeds of any insurance, indemnity, warranty or guaranty payable to or for the account of Debtor from time to time with respect to any of the Trademark Collateral, (iii) any and all claims and payments (in any form whatsoever) made or due and payable to Debtor from time to time in connection with any requisition, confiscation, condemnation, seizure or forfeiture of all or any part of the Trademark Collateral by any Person acting under color of governmental authority, and (iv) any and all other amounts from time to time paid or payable under or in connection with any of the Trademark Collateral or for or on account of any damage or injury to or conversion of any Trademark Collateral by any Person.

“PTO” means the United States Patent and Trademark Office and any successor thereto.

“Secured Obligations” means all liabilities, obligations, or undertakings (including the Obligations) owing by any Debtor of any kind or description arising out of or outstanding under, advanced or issued pursuant to, or evidenced by the Financing Agreement, this Agreement, the Security Agreement or any of the other Loan Documents, irrespective of whether for the payment of money, whether direct or indirect, absolute or contingent, due or to become due, voluntary or involuntary, whether now existing or hereafter arising, and including, without limitation, all interest, costs, fees (including attorneys fees), and expenses and any and all other amounts (including any portion thereof that accrues after the commencement of any Insolvency Proceeding, whether or not allowed or allowable in whole or in part as a claim in any such case or proceeding) which any Debtor is required to pay pursuant to any of the foregoing, by law, or otherwise.

“Security Agreement” shall have the meaning ascribed to such term in the recitals to this Agreement.

“Trademark Collateral” has the meaning set forth in Section 2.

“Trademarks” has the meaning set forth in Section 2.

“UCC” means the Uniform Commercial Code as in effect from time to time in the State of New York.

“United States” and “U.S.” each mean the United States of America.

(b) Terms Defined in UCC. Where applicable and except as otherwise defined herein, terms used in this Agreement shall have the meanings assigned to them in the UCC.

(c) Interpretation. The definitions of terms herein shall apply equally to the singular and plural forms of the terms defined. Whenever the context may require, any pronoun shall include the corresponding masculine, feminine and neuter forms. The words “include”, “includes” and “including” shall be deemed to be followed by the phrase “without limitation”. The word “will” shall be construed to have the same meaning and effect as the word “shall”. The term “or” has, except where otherwise indicated, the inclusive meaning represented by the phrase “and/or”. Unless the context requires otherwise, (a) any definition of or reference to any agreement, instrument or other document herein shall be construed as referring to such agreement, instrument or other document as from time to time amended, supplemented or otherwise modified (subject to any restrictions on such amendments, supplements or modifications set forth herein), (b) any reference herein to any Person shall be construed to include such Person’s successors and assigns, (c) the words “herein”, “hereof” and “hereunder”, and words of similar import, shall be construed to refer to this Agreement in its entirety and not to any particular provision hereof, (d) all references herein to Articles, Sections, Exhibits and Schedules shall be construed to refer to Articles and Sections of, and Exhibits and Schedules to, this Agreement, (e) the words “asset” and “property” shall be construed to have the same meaning and effect and to refer to any and all tangible and intangible assets and properties, including cash, securities, accounts and contract rights, and (f) any reference herein to the repayment in full of Secured Obligations shall mean the repayment in full in cash of all Secured

Obligations (other than contingent indemnification obligations pursuant to Section 12.15 of the Financing Agreement as to which no claim has been made and which are not then due and payable (other than contingent indemnification obligations in respect of Reimbursement Obligations or Letter of Credit Obligations)). References in this Agreement to “determination” by any Agent include estimates by such Agent (in the case of quantitative determinations) and beliefs by such Agent (in the case of qualitative determinations). Any reference in this Agreement or in any of the other Loan Documents to this Agreement or any of the other Loan Documents shall include all alterations, amendments, restatements, changes, extensions, modifications, renewals, replacements, substitutions, and supplements, thereto and thereof, as applicable. In the event of a direct conflict between the terms and provisions of this Agreement and the Financing Agreement, it is the intention of the parties hereto that both such documents shall be read together and construed, to the fullest extent possible, to be in concert with each other. In the event of any actual, irreconcilable conflict that cannot be resolved as aforesaid, the terms and provisions of the Financing Agreement shall control and govern; provided, however, that the inclusion herein of additional obligations on the part of any Debtor and supplemental rights and remedies in favor of the Collateral Agent, in each case in respect of the Collateral, shall not be deemed a conflict with the Financing Agreement. Any reference herein to a Person shall be construed to include such Person’s successors and assigns. Any requirement of a writing contained herein or in the other Loan Documents shall be satisfied by the transmission of a Record and any Record transmitted shall constitute a representation and warranty, as the accuracy and completeness of the information contained therein. Capitalized words not otherwise defined herein shall have the respective meanings assigned to them in the Financing Agreement.

2. Security Interest.

(a) Assignment and Grant of Security in respect of the Secured

Obligations. To secure the prompt payment and performance of the Secured Obligations, Debtor hereby grants, assigns, transfers and conveys to Collateral Agent, for the benefit of the Lender Group and Hedging Providers, a continuing security interest in all of Debtor’s right, title and interest in and to the following property, whether now existing or hereafter acquired or arising and whether registered or unregistered (collectively, the “Trademark Collateral”):

(i) all state (including common law) and federal trademarks, service marks and trade names, corporate names, company names, business names, fictitious business names, trade styles, trade dress, logos, other source or business identifiers, designs and general intangibles of like nature, now existing or hereafter adopted or acquired, together with and including all licenses therefor held by Debtor, and all registrations and recordings thereof, and all applications filed or to be filed in connection therewith, including registrations and applications in the PTO, any State of the United States and all extensions or renewals thereof, including without limitation any of the foregoing identified on Schedule A hereto (as the same may be amended, modified or supplemented from time to time), and the right (but not the obligation) to register claims under any state or federal trademark law or regulation and to apply for, renew and extend any of the same, to sue or bring opposition or cancellation proceedings in Debtor’s name or in the name of Collateral Agent or in the name of Collateral Agent for the benefit of the Lender Group for past, present or future infringement or unconsented

use thereof, and all rights arising therefrom throughout the world (collectively, the "Trademarks");

(ii) all claims, causes of action and rights to sue for past, present or future infringement or unconsented use of any Trademarks and all rights arising therefrom and pertaining thereto;

(iii) all general intangibles related to or arising out of any of the Trademarks and all the goodwill of Debtor's business symbolized by the Trademarks or associated therewith; and

(iv) all Proceeds of any and all of the foregoing.

Notwithstanding the foregoing, the term "Trademark Collateral" shall not include any rights or interest in any intent-to-use applications if applicable law (except to the extent that any such provision of applicable law would be rendered ineffective pursuant to Section 9-406, 9-407, or 9-408 of the Uniform Commercial Code (or any successor provision or provisions) of any relevant jurisdiction) prohibits the valid grant of a security interest or lien therein and such prohibition has not been waived, provided that the foregoing exclusion shall in no way be construed to limit, impair, or otherwise affect the Collateral Agent's continuing security interests in and Liens upon any rights or interests of Debtor in or to (x) monies due or to become due under such intent-to-use applications (and all trademark applications and registered trademarks maturing therefrom), or (y) any proceeds from the sale, license, lease or other disposition of such intent-to-use applications (and all trademark applications and registered trademarks maturing therefrom).

(b) Continuing Security Interest. Debtor hereby agrees that this Agreement shall create a continuing security interest in the Trademark Collateral which shall remain in effect until terminated in accordance with Section 18 hereof.

(c) Incorporation into Security Agreement. This Agreement shall be fully incorporated into the Security Agreement and all understandings, agreements and provisions contained in the Security Agreement shall be fully incorporated into this Agreement. Without limiting the foregoing, the Trademark Collateral described in this Agreement shall constitute part of the Collateral in the Security Agreement.

(d) Licenses. Debtor may grant licenses of the Trademark Collateral in accordance with the terms of the Loan Documents.

3. Further Assurances; Appointment of Collateral Agent as Attorney-in-Fact. Debtor at its expense shall execute and deliver, or cause to be executed and delivered, to Collateral Agent any and all documents and instruments, in form and substance reasonably satisfactory to Collateral Agent, and take any and all action, which Collateral Agent may request from time to time, to perfect and continue the perfection or to maintain the priority of, or provide notice of the security interest in the Trademark Collateral held by Collateral Agent for the benefit of the Lender Group and to accomplish the purposes of this Agreement. If Debtor refuses to execute and deliver, or fails timely to execute and deliver, any of the documents it is requested to execute and deliver by Collateral Agent in accordance with the foregoing, Collateral Agent shall

have the right, in the name of Debtor, or in the name of Collateral Agent or otherwise, without notice to or assent by Debtor, and Debtor hereby irrevocably constitutes and appoints Collateral Agent (and any of Collateral Agent's officers or employees or agents designated by Collateral Agent) as Debtor's true and lawful attorney-in-fact with full power and authority, (i) to sign the name of Debtor on all or any of such documents or instruments and perform all other acts that Collateral Agent deems necessary or advisable in order to perfect or continue the perfection of, maintain the priority or enforceability of or provide notice of the security interest in the Trademark Collateral held by Collateral Agent for the benefit of the Lender Group, and (ii) to execute any and all other documents and instruments, and to perform any and all acts and things for and on behalf of Debtor, which Collateral Agent may deem necessary or advisable to maintain, preserve and protect the Trademark Collateral and to accomplish the purposes of this Agreement, including (A) upon the occurrence and during the continuance of any Event of Default, to defend, settle, adjust or institute any action, suit or proceeding with respect to the Trademark Collateral, (B) upon the occurrence and during the continuation of any Event of Default, to assert or retain any rights under any license agreement for any of the Trademark Collateral, and (C) upon the occurrence and during the continuance of any Event of Default, to execute any and all applications, documents, papers and instruments for Collateral Agent to use the Trademark Collateral, to grant or issue any exclusive or non-exclusive license with respect to any Trademark Collateral, and to assign, convey or otherwise transfer title in or dispose of the Trademark Collateral. The power of attorney set forth in this Section 3, being coupled with an interest, is irrevocable so long as this Agreement shall not have terminated in accordance with Section 18.

4. Representations and Warranties. Debtor represents and warrants to each member of the Lender Group as follows:

(a) No Other Trademarks. Schedule A sets forth a true and correct list of all of Debtor's existing Trademarks that are registered, or for which any application for registration has been filed with the PTO or any corresponding or similar trademark office of any other U.S. jurisdiction, and that are owned or held (whether pursuant to a license or otherwise) and used by Debtor.

(b) Trademarks Subsisting. Each of Debtor's Trademarks listed in Schedule A is subsisting and has not been adjudged invalid or unenforceable, in whole or in part, and, to the best of Debtor's knowledge, each of the Trademarks set forth on Schedule A is valid and enforceable.

(c) Ownership of Trademark Collateral; No Violation. (i) Debtor has rights in and good and defensible title to the Trademark Collateral, (ii) Debtor is the sole and exclusive owner of the Trademark Collateral, free and clear of any Liens and rights of others (other than interest created hereunder and other than Permitted Liens), including licenses (with respect such interest owned exclusively by Debtor), registered user agreements and covenants by Debtor not to sue third persons, and (iii) with respect to any Trademarks for which Debtor is either a licensor or a licensee pursuant to a license or licensing agreement regarding such Trademark, each such license or licensing agreement is in full force and effect, Debtor is not in material default of any of its obligations thereunder and, (A) other than the parties to such licenses or licensing agreements, or (B) in the case of any non-exclusive license or license

agreement entered into by Debtor or any such licensor regarding such Trademark, the parties to any other such non-exclusive licenses or license agreements entered into by Debtor or any such licensor with any other Person, no other Person has any rights in or to any of the Trademark Collateral. To the best of Debtor's knowledge, the past, present and contemplated future use of the Trademark Collateral by Debtor has not, does not and will not infringe upon or violate any right, privilege or license agreement of or with any other Person or give any such Person the right to terminate any such right, privilege or license agreement.

(d) No Infringement. To Debtor's knowledge, (i) no material infringement or unauthorized use presently is being made of any of Trademark Collateral by any Person, and (ii) the past, present, and contemplated future use of the Trademark Collateral by Debtor has not, does not and will not infringe upon or violate any right, privilege, or license arrangement of or with any other Person or give such Person the right to terminate any such license arrangement.

(e) Powers. Debtor has the unqualified right, power and authority to pledge and to grant to Collateral Agent security interests in the Trademark Collateral pursuant to this Agreement, and to execute, deliver and perform its obligations in accordance with the terms of this Agreement, without the consent or approval of any other Person except as already obtained.

5. Covenants. So long as any of the Secured Obligations remain unsatisfied, Debtor agrees that it will:

(a) comply with all of the covenants, terms and provisions of this Agreement, the Financing Agreement and the other Loan Documents to which Debtor is a party;

(b) promptly give Collateral Agent written notice of the occurrence of any event that could have a material adverse effect on any of the Trademarks or the Trademark Collateral, including any petition under the Bankruptcy Code filed by or against any licensor of any of the Trademarks for which Debtor is a licensee;

(c) on a continuing basis, make, execute, acknowledge and deliver, and file and record in the proper filing and recording places, all such instruments and documents, including appropriate financing and continuation statements and security agreements, and take all such action as may be necessary or may be requested by Collateral Agent, in its discretion, to carry out the intent and purposes of this Agreement, or for assuring, confirming or protecting the grant or perfection of the security interests granted or purported to be granted hereby, to ensure Debtor's compliance with this Agreement or to enable Collateral Agent to exercise and enforce its rights and remedies hereunder with respect to the Trademark Collateral. Without limiting the generality of the foregoing sentence, Debtor:

(i) hereby authorizes Collateral Agent, in its discretion, if Debtor refuses to execute and deliver, or fails timely to execute and deliver, any of the documents it is requested to execute and deliver by Collateral Agent, to modify this Agreement without first obtaining Debtor's approval of or signature to such modification by amending Schedule A hereof to include a reference to any right, title or interest in any

existing material Trademark Collateral or Trademark Collateral acquired or developed by Debtor after the execution hereof, or to delete any reference to any right, title or interest in any Trademark Collateral in which Debtor no longer has or claims any right, title or interest; and

(ii) hereby authorizes Collateral Agent, in its sole discretion, to file one or more financing or continuation statements, if Debtor refuses to execute and deliver, or fails timely to execute and deliver, any such amendment thereto it is requested to execute and deliver by Collateral Agent, any amendments thereto, relative to all or any portion of the Trademark Collateral, without the signature of Debtor where permitted by law;

(d) comply, in all material respects, with all applicable statutory and regulatory requirements in connection with any and all of the Trademark Collateral, and give such notice of trademark, prosecute such material claims, and do all other acts and take all other measures which, in Debtor's reasonable business judgment, may be necessary to preserve, protect and maintain the Trademark Collateral and all of Debtor's rights therein, including diligently prosecute any material trademark application pending as of the date of this Agreement or thereafter;

(e) comply with each of the terms and provisions of this Agreement and the Financing Agreement, and not enter into any agreement (for example, a license agreement) which is inconsistent with the obligations of Debtor under this Agreement and the Financing Agreement without Collateral Agent's prior written consent; and

(f) not permit the inclusion in any contract to which Debtor becomes a party of any provision that could or might impair or prevent the creation of a security interest in favor of Collateral Agent, for the benefit of the Lender Group, in Debtor's rights and interest in any property included within the definition of Trademark Collateral acquired under such contracts.

6. Future Rights. If and when Debtor shall obtain rights to any new Trademarks, or any reissue, renewal or extension of any Trademarks, the provisions of Section 2 shall automatically apply thereto and Debtor shall give to Collateral Agent prompt notice thereof in accordance with Section 12.01 of the Financing Agreement. Debtor shall do all things reasonably deemed necessary by Collateral Agent in its discretion to ensure the validity, perfection, priority and enforceability of the security interests of Collateral Agent in such future acquired Trademark Collateral. If Debtor refuses to execute and deliver, or fails timely to execute and deliver, any of the documents it is requested to execute and deliver by Collateral Agent in connection herewith, Debtor hereby authorizes Collateral Agent to modify, amend or supplement the Schedules hereto and to re-execute this Agreement from time to time on Debtor's behalf and as its attorney-in-fact to include any future Trademarks which are or become Trademark Collateral and to cause such re-executed Agreement or such modified, amended or supplemented Schedules to be filed with the PTO.

7. Duties of Collateral Agent and the Lender Group. Notwithstanding any provision contained in this Agreement, neither Collateral Agent nor any member of the Lender

Group shall have any duty to exercise any of the rights, privileges or powers afforded to it and shall not be responsible to Debtor or any other Person for any failure to do so or delay in doing so. Except for the accounting for moneys actually received by Collateral Agent or any other member of the Lender Group hereunder or in connection herewith, neither Collateral Agent nor any member of the Lender Group shall have any duty or liability to exercise or preserve any rights, privileges or powers pertaining to the Trademark Collateral.

8. Events of Default. The occurrence of any "Event of Default" under the Financing Agreement shall constitute an Event of Default hereunder.

9. Remedies. From and after the occurrence and during the continuation of an Event of Default, the Lender Group and Collateral Agent on behalf thereof shall have all rights and remedies available to them under the Financing Agreement and applicable law (which rights and remedies are cumulative) with respect to the security interests in any of the Trademark Collateral. Debtor hereby agrees that such rights and remedies include the right of Collateral Agent as a secured party to sell or otherwise dispose of the Trademark Collateral after default, pursuant to the UCC. Debtor hereby agrees that Collateral Agent shall at all times have such royalty-free licenses, to the extent permitted by law and the Loan Documents, for any Trademark Collateral that is reasonably necessary to permit the exercise of any of Collateral Agent's rights or remedies upon or after the occurrence of (and during the continuance of) an Event of Default with respect to (among other things) any tangible asset of Debtor in which Collateral Agent has a security interest, including Collateral Agent's rights to sell inventory, tooling or packaging which is acquired by Debtor (or its successor, assignee or trustee in bankruptcy). In addition to and without limiting any of the foregoing, upon the occurrence and during the continuance of an Event of Default, Collateral Agent shall have the right but shall in no way be obligated to bring suit, or to take such other action as Collateral Agent deems necessary or advisable, in the name of Debtor or Collateral Agent, to enforce or protect any of the Trademark Collateral, in which event Debtor shall, at the request of Collateral Agent, do any and all lawful acts and execute any and all documents required by Collateral Agent in aid of such enforcement. To the extent that Collateral Agent shall elect not to bring suit to enforce such Trademark Collateral, Debtor, in the exercise of its reasonable business judgment, agrees to use all reasonable measures and its diligent efforts, whether by action, suit, proceeding or otherwise, to prevent the infringement, misappropriation or violation thereof by others and for that purpose agrees diligently to maintain any action, suit or proceeding against any Person necessary to prevent such infringement, misappropriation or violation.

10. Binding Effect. This Agreement shall be binding upon, inure to the benefit of and be enforceable by Debtor and Collateral Agent for the benefit of the Lender Group and their respective successors and assigns.

11. Notices. All notices and other communications hereunder shall be in writing and shall be mailed, sent or delivered in accordance with the Financing Agreement.

12. Governing Law. This Agreement shall be governed by, and construed and enforced in accordance with, the laws of the State of New York, except to the extent that the validity or perfection of the security interests hereunder in respect of the Trademark Collateral

are governed by federal law, in which case such choice of New York law shall not be deemed to deprive Collateral Agent of such rights and remedies as may be available under federal law.

13. Entire Agreement; Amendment. This Agreement and the other Loan Documents, together with the Schedules hereto and thereto, contains the entire agreement of the parties with respect to the subject matter hereof and supersede all prior drafts and communications relating to such subject matter. Neither this Agreement nor any provision hereof may be modified, amended or waived except by the written agreement of the parties to this Agreement. Notwithstanding the foregoing, Collateral Agent may reexecute this Agreement or modify, amend or supplement the Schedules hereto as provided in Section 6 hereof.

14. Severability. If one or more provisions contained in this Agreement shall be invalid, illegal or unenforceable in any respect in any jurisdiction or with respect to any party, such invalidity, illegality or unenforceability in such jurisdiction or with respect to such party shall, to the fullest extent permitted by applicable law, not invalidate or render illegal or unenforceable any such provision in any other jurisdiction or with respect to any other party, or any other provisions of this Agreement.

15. Counterparts; Telefacsimile and E-mail Execution. This Agreement may be executed in any number of counterparts and by different parties hereto in separate counterparts, each of which when so executed shall be deemed to be an original and all of which taken together shall constitute but one and the same agreement. Delivery of an executed counterpart of this Agreement by telefacsimile or e-mail transmission shall be equally as effective as delivery of an original executed counterpart of this Agreement. Any party delivering an executed counterpart of this Agreement by telefacsimile or e-mail transmission also shall deliver an original executed counterpart of this Agreement but the failure to deliver an original executed counterpart shall not affect the validity, enforceability, and binding effect of this Agreement.

16. Security Agreement. Debtor acknowledges that the rights and remedies of Collateral Agent with respect to the security interest in the Trademark Collateral granted hereby are more fully set forth in the Security Agreement and all such rights and remedies are cumulative.

17. No Inconsistent Requirements. Debtor acknowledges that this Agreement and the other Loan Documents may contain covenants and other terms and provisions variously stated regarding the same or similar matters, and Debtor agrees that all such covenants, terms and provisions are cumulative and all shall be performed and satisfied in accordance with their respective terms.

18. Termination. Upon the indefeasible payment and performance in full in cash of the Secured Obligations and the full and final termination of any commitment to extend any financial accommodations under the Financing Agreement, this Agreement and the security interests granted hereunder shall terminate, and Collateral Agent shall execute and deliver such documents and instruments and take such further action reasonably requested by Debtor, at Debtor's expense, as shall be necessary to evidence termination of the security interest granted

by Debtor to Collateral Agent for the benefit of the Lender Group hereunder, including cancellation of this Agreement by written notice from Collateral Agent to the PTO.

[Signature page follows]

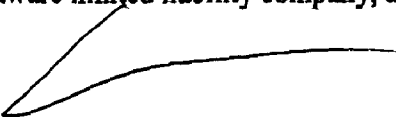
IN WITNESS WHEREOF, the parties hereto have duly executed this Agreement,
as of the date first above written.

DEBTOR:

CAPTIVE PLASTICS, INC.,
a New Jersey corporation

By: John DeLeo
Name: John DeLeo
Title: CEO

COLLATERAL AGENT: ABLECO FINANCE LLC,
a Delaware limited liability company, as Collateral Agent

By: 
Name: Kevin Conda
Title: Senior Vice President

SCHEDULE A

to the Trademark Security Agreement

U.S. Trademark Registrations

MARK	APP/REG. NO.	APP./REG DATE	OWNER
CAPTIVE PLASTICS	1277024	05/08/84	Captive Plastics, Inc.
CP	2081302	07/22/97	Captive Plastics, Inc.
CP**	2092911	09/02/97	Captive Plastics, Inc.
CPI**	1279008	05/22/84	Captive Plastics, Inc.
DESIGN ONLY	1547419	07/11/89	Captive Plastics, Inc.
DESIGN ONLY**	1273575	04/10/84	Captive Plastics, Inc.
THORO-BAN	1545407	06/27/89	Captive Plastics, Inc.

** These marks are no longer in use and will not be maintained.